



OFFICE OF THE LT. GOVERNOR
STATE HOUSE
INDIANAPOLIS, INDIANA 46204-2797

REBECCA S. SKILLMAN
LT. GOVERNOR

March 19, 2007

Dear Indiana Superintendents:

As energy costs rise and operational budgets get thinner, energy efficiency in all sectors of society becomes a good investment. Energy efficiency and conservation are a key part of our state's energy policy. I can tell you that the State of Indiana has been working hard to be more energy efficient, and I encourage you to do the same.

We know that schools are especially vulnerable to high energy costs and many times our school buildings are not the most energy efficient. To help schools afford energy efficiency investments with long-term payback, state law provides Guaranteed Energy Savings Contracts for public schools. This legislation is designed to help local schools have more affordable energy bills.

Guaranteed energy savings contracts are an agreement between a qualified provider and a building owner to reduce the energy and operating costs of a building, or group of buildings, by a specified amount. The main advantage of these agreements is that the building owner can participate in the project without a large upfront investment of capital. The energy cost savings are used to pay for the investment. If the guaranteed savings are not achieved, the provider must reimburse the building owner for the difference between the guaranteed and actual costs.

I want to bring your attention to this state law and encourage you to have your facilities managers look into ways they can save energy, ultimately saving the taxpayer and keeping more money in the classroom.

For more information, please visit: www.in.gov/energy/policy/. Thank you for your support of energy efficiency in our public schools.

Sincerely,

Rebecca S. Skillman
Lieutenant Governor



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